

### **Agency Description**

(from the 2013 Biennium Executive Budget)

**Mission: To monitor and to enforce, in a fair and impartial manner, campaign practices and campaign finance disclosure, lobbying disclosure, business interest disclosure of statewide and state district candidates, elected state officials, and state department directors, ethical standards of conduct for legislators, public officers, and state employees, and to investigate legitimate complaints that arise concerning any of the foregoing.**

The Commissioner of Political Practices (COPP) has responsibilities that were defined by a legislative initiative in 1980 requiring disclosure of acts by lobbyists and business interests of elected officials. COPP also has responsibility for the ethical standards of conduct for legislators, public officers, and state employees pursuant to Title 2, Chapter 2, MCA.

**What does the agency want to accomplish in the next biennium?**

- 1) Clear docket backlog
- 2) Enhance electronic services to increase use by candidates, committees, and lobbyists
- 3) Meet budget
- 4) Meet all statutory and court-imposed deadlines
- 5) Fill any vacancies immediately

**What was the agency's thought process behind developing this budget?**

- 1) Fill vacant position
- 2) Increase base to more accurately reflect actual costs

**What challenges did the agency face in budget development?**

- 1) Balancing citizen, candidate, committee and lobbyist expectations, as well as statutory requirements, of speedy and fair turnaround of complaints with economic realities.
- 2) Balancing citizen, candidate, committee and lobbyist expectations, as well as statutory requirements, of accurate and transparent campaign finance and lobbyist oversight with economic realities.

**What obstacles might the agency encounter in the next biennium?**

- 1) Increased number of complaints with recent Supreme Court ruling leaving the general public not completely informed about ramifications of the Citizens United decision. Genuine confusion on the part of those who want to follow the law completely coupled with opportunists seeking to bypass the intent and letter of existing law will create an environment for the next election season ripe with complaints.
- 2) Increased legal fees and costs with contracted counsel.

**Which citizen groups will be affected by this budget and how?**

- 1) Every voter, resident, and visitor to our state. Every candidate, committee, and lobbyist.

**Big Issues:**

1. ***Docket backlog/legal costs***
2. ***Electronic access of office (filing, reporting, research)***

**Docket backlog/legal costs**

*(Please see attached spreadsheet for legal cost vs decision history)*

- 1) In FY10, COPP spent \$131,296 on legal expense for resolution of complaints (\$85K base + \$40K supplemental + \$6,082 carried forward). That same year, 21 complaints were on the docket.
- 2) COPP currently has 56 pending complaints on the docket, and several are anticipated to fully engulf the resources of the contract attorneys, and subsequently the budget for contracted legal services.
- 3) As of today, \$12,500 of approximately \$66,000 budgeted is remaining. 19% of the money left with 58% of the year left (Dec '10 bills have not been rec'd yet).

**Electronic access of office**

The COPP launched a web-based registration/reporting/research tool in January '09 for lobbyists, January '10 for candidate registration, March '10 for candidate reporting, and is scheduled for a March '11 launch of Committee reporting and registration.

- 1) Lobbyist Participation
  - a) Of the 586 registered lobbyists for 553 principals, approximately 50% use on-line registration. A much lower percentage use the on-line service to file reports, something we will work to better through training, outreach, and improved interface. COPP will continue to develop the on-line functionality, further slicing the paperwork for lobbyists, principals and staff.
  - b) In 2009, COPP staff held a Q&A session to increase understanding of and compliance with lobbying laws of Montana. During the 2011 Legislative Session, two such sessions are planned to further increase participation in the program.
- 2) Candidate Participation
  - a) Candidates for the 2010 election cycle participated in on-line filing and reporting at 27%, 2% better than the national average. With continued outreach and education, COPP hopes to reach 54% participation by 2012.
  - b) COPP will conduct trainings for candidates and treasurers for the 2012 election cycle on statutory reporting requirements as well as electronic access to the office.
- 3) Committee Participation
  - a) The on-line registration and reporting of committees is currently in test mode. 3 committees, an independent vendor, and a retail software company are all testing the program. March of 2011 is the scheduled launch date, and the participation rate goal for the first year is 25%, climbing to 40% in 2012.

Year	Legal Expenditure	Decisions completed	Pending Complaints on Docket
FY11	\$66,000	3 CFP decisions MIA Settlement Raser Settlement Citizens United lawsuit WTP law suit Montana Shrugged lawsuit	56
FY10	\$131,296	15 CFP Decisions, 1 Ethics	21
FY09	\$134,566	27 CFP decisions, 1 Ethics	Untracked
FY08	\$120,550	11 CFP decisions, 15 Lobbying penalty decisions for late reporting	Untracked
FY07	\$95,533	15 CFP decisions, 20 lobbying penalty decisions for late reporting	Untracked